

STATE OF NEW JERSEY
CASINO CONTROL COMMISSION

IN RE:

- 1) REHEARING OF PETITION NO. 281707 :
OF RESORTS INTERNATIONAL, INC., RESORTS :
INTERNATIONAL HOTEL, INC., RESORTS :
INTERNATIONAL HOTEL FINANCING, INC., THE :
TRUMP HOTEL CORPORATION AND DONALD J. :
TRUMP FOR DECLARATORY RULINGS; :
- 2) APPLICATION OF THE TRUMP HOTEL : VOLUME V
CORPORATION FOR THE ISSUANCE OF A CASINO :
LICENSE; :
- 3) APPLICATION OF RESORTS INTERNATIONAL :
HOTEL, INC. FOR RENEWAL OF ITS PLENARY :
CASINO LICENSE AND ITS CASINO HOTEL :
ALCOHOLIC BEVERAGE LICENSE (PRN 282701) :
- 4) APPLICATIONS OF LECTROLARM CUSTOM :
SERVICES, INC. AND INTERNATIONAL :
INTELLIGENCE, INC. FOR RENEWAL OF THEIR :
CASINO SERVICE INDUSTRY LICENSES; AND :
- 5) PETITION OF RESORTS INTERNATIONAL :
HOTEL, INC. AND RESORTS INTERNATIONAL, :
INC. FOR WAIVER OF QUALIFICATION OF :
SECURITY HOLDERS AND OF DEBENTURE HOLDERS :
OF RESORTS INTERNATIONAL, INC. AND RESORTS :
INTERNATIONAL FINANCING, INC. (PRN 303701):

Thursday, February 18, 1988
12:00 p.m.
3131 Princeton Pike
Public Meeting Room
Building No. 5
Lawrenceville, NJ 08648

B E F O R E:

WALTER N. READ, CHAIRMAN
W. DAVID WATERS, VICE CHAIRMAN
CARL ZEITZ, COMMISSIONER
E. KENNETH BURDGE, COMMISSIONER
VALERIE H. ARMSTRONG, COMMISSIONER

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DARYL NANCE, PROCEDURES ANALYST

ON BEHALF OF THE COMMISSION STAFF:

JOHN R. ZIMMERMAN, DEPUTY DIRECTOR, LEGAL

ON BEHALF OF THE DIVISION STAFF:

MICHAEL VUKCEVICH, DEPUTY ATTORNEY GENERAL
MICHAEL ROMANO, SENIOR AGENT

ON BEHALF OF PETITIONER RESORTS INTERNATIONAL, INC.

STERNS, HERBERT, WEINROTH & PETRINO, ESQS.,
BY: JOEL H. STERNS, ESQ. and PAUL M. O'GARA, ESQ.,
and
JOHN M. DONNELLY, ESQ.

ON BEHALF OF TRUMP HOTEL CORPORATION

RIBIS, GRAHAM, VERDON & CURTIN, ESQS.,
BY: NICHOLAS L. RIBIS, ESQ.

ON BEHALF OF TRUMP ORGANIZATION

HARVEY I. FREEMAN, ESQ. (NY Bar)

I N D E X

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CHAIRMAN READ: We will call the session to order and the presence of all five commissioners. The record having been completed and closed the other day, we are now in the position where I think we can bring the matter to a close and consider the final vote.

Before proceeding to the final vote, I have some observations regarding Resorts' obligations remaining to the Uptown Urban Renewal Tract. The Division indicated in its report on licensure that it hasn't yet completed its investigation of recent developments concerning the housing issue, and that this matter is therefore not ripe for consideration by the Commission. As a result, a thorough review of the matter will necessarily be deferred for future proceedings. Although Resorts is an applicant for a two-year renewal of its casino license, the Commission will examine this issue as soon as it is appropriate to do so.

On numerous occasions, the Commission has expressed its concerns relative to Resorts' housing commitments. In the initial year of casino gaming, this Commission, under Chairman Lordi, received a promise from Resorts to invest five million

Remarks - By Chairman Read

dollars in housing in the Atlantic City region. Several years later, a hearing was held at which Resorts claimed to have spent a portion of these funds. And in the context of that hearing, the Commission received a commitment from Resorts to spend one million dollars of the five million dollar obligation on low or moderate income housing in the City of Atlantic City.

Thereafter, the Commission conducted frequent and often lengthy hearings in an effort to monitor Resorts' progress and to prompt swifter compliance with the housing obligations the company had undertaken. To this day, the Commission receives bi-weekly reports from Resorts on the still uncompleted infill housing development plan which arose out of the one million dollar obligation. Moreover, at the end of 1984, the Commission again examined Resorts' housing efforts in connection with the company's effort to obtain reinvestment tax credit.

In summary, to the best of my recollection, Resorts' housing obligations have been an issue at every Resorts' casino license renewal hearing, and at other hearings specifically designed

Remarks - By Chairman Read

to inquire into housing issues. Moreover, the New Jersey Public Advocate has on several occasions intervened in hearings before the Commission to express his dissatisfaction with the pace and scope of Resorts' efforts to fulfill its housing obligations.

Our concerns in this area have by no means diminished. On the contrary, recent developments have intensified our resolve to scrutinize all of the relevant circumstances surrounding Resorts' housing commitments as they may impact upon continued licensure.

Last summer, when the Commission voted to approve Donald Trump's purchase of a controlling interest in Resorts International, I noted that this Commission would insist upon Resorts fulfilling its housing obligations. At that time, we were assured that the Trump Organization had been made fully aware of Resorts' obligations pertaining to the Uptown Urban Renewal Tract, and that Resorts, under the leadership of the Trump Organization, was prepared to take all appropriate measures to fulfill these obligations. At this hearing, we were again assured that Resorts, which will apparently soon come under the complete ownership of Mr. Trump, will fulfill its obligations

1 Remarks - By Chairman Read

2 with respect to housing.

3 When this entire housing related matter
4 is presented to the Commission at a future hearing, we
5 will examine the developments that have occurred since
6 Mr. Trump first assumed control of Resorts. We will
7 measure these developments against the representations
8 that were made last summer, as well as those that were
9 made at this hearing. We will then reach a judgment
10 within the context of the strict licensing criteria of
11 the Casino Control Act, including the requirement that
12 the licensee and its officials establish their good
13 character, honesty and integrity.

14 Turning to the issues which are before
15 us for resolution today, I should once again note that
16 on January 27 of this year, the Commission reopened
17 the hearing in which we approved the Comprehensive
18 Services Agreement between Resorts International, Inc.
19 and Trump Hotel Corporation and consolidated that
20 matter with the Resorts International Hotel, Inc.
21 casino license renewal application. Subsequent to
22 that decision and immediately prior to the
23 commencement of this hearing, Resorts announced that a
24 Special Committee of its Board of Directors had agreed
25 to recommend acceptance of a merger proposal from

1 Remarks - By Chairman Read

2 Donald Trump, pursuant to which the holders of all
3 shares of Class A and Class B common stock would
4 receive \$22 per share. Assuming the merger is
5 consummated, Resorts International, Inc. will be a
6 private company, with Donald Trump the sole
7 shareholder.

8 The parties have introduced into
9 evidence a Stipulation concerning the Comprehensive
10 Services Agreement, which provides that no management
11 fees shall be paid to or accrued on behalf of Trump
12 Hotel Corporation until the Taj Mahal Casino Hotel has
13 been opened for legalized casino gaming, and that
14 Trump Hotel Corporation and Donald Trump forego and
15 waive any management fees and interest thereon which
16 otherwise would have been due to Trump Hotel
17 Corporation from Resorts until the Taj Mahal is opened
18 for legalized casino gaming. Resorts, Trump Hotel
19 Corporation and Donald Trump have agreed to amend the
20 Comprehensive Services Agreement in accordance with
21 the terms of this Stipulation.

22 The record also indicates that, if the
23 merger is effected, any consideration of management
24 fees will be moot. Nevertheless, whether or not the
25 merger is consummated, this Stipulation will remain in

Remarks - By Chairman Read

full force and effect.

I believe this Stipulation adequately addresses the regulatory concerns which precipitated the reopening of this matter. Accordingly, based upon the entire record of this proceeding, I will now move: (1) to grant the petition for a declaratory ruling approving the Comprehensive Services Agreement, subject to the conditions set forth in the Commission's decision of December 16, 1987, and as amended by the Stipulation; (2) to issue a casino license to the Trump Hotel Corporation, for one year effective February 26, 1988, subject to all fees being paid on or about such date; (3) to renew the casino license and casino hotel alcoholic beverage license of Resorts International Hotel, Inc. for two years; (4) to renew the casino service industry license of International Intelligence, Inc. for two years; (5) to renew the casino service industry license of Lectrolarm Custom Services, Inc. for two years; and (6) to approve all of the terms, recommendations and conditions set forth in the Commission staff reports other than matters which have been addressed by previous Commission votes at this hearing.

Is there a second for that motion?

1 Remarks - By Commissioner Armstrong

2 COMMISSIONER BURDGE: Second.

3 CHAIRMAN READ: Discussion or comment?

4 COMMISSIONER ARMSTRONG: Mr. Chairman,
5 I have a few comments I would like to make.

6 The record created in this matter, in
7 my opinion, is less than satisfactory and leaves doubt
8 concerning several critical issues facing Resorts.
9 Since June 1987, this Commission has been told through
10 the testimony of numerous witnesses during several
11 Trump/Resorts hearings, that the future of Resorts and
12 indeed, the future of Atlantic City, is dependent upon
13 Resorts' ability and now specifically, Mr. Trump's
14 ability, to finance and complete construction of the
15 Taj Mahal.

16 While few people would disagree with
17 the assertion that the successful, expeditious
18 completion of the Taj Mahal will likely benefit both
19 Resorts and Atlantic City, regulatory approvals to aid
20 that process, as well as renewal of a casino license
21 should result only after applicant has produced a
22 statutorily satisfactory record.

23 Both Mr. Trump and Resorts are veterans
24 of this process and should have minimal difficulty in
25 creating an adequate record. Unfortunately, the

1 Remarks - By Commissioner Armstrong
2 record before us is laced with hyperbole,
3 contradictions and generalities which make it
4 difficult to evaluate adequately the licensee's
5 fitness for licensure.

6 As Mr. Sterns properly noted in, I
7 believe it was his closing argument, in this case we
8 are not only examining "...the past, what happened and
9 what was the record, but we are also examining
10 Resorts' future." I agree with Mr. Sterns'
11 observation and note that in order to determine
12 whether the record before us is sufficient to grant
13 relicensure, we cannot ignore the cumulative records
14 entered at prior Resorts/Trump hearings held before
15 this Commission since June 1987 regarding such
16 important issues as Mr. Trump's purchase of the B
17 shares, economic concentration, closure of Resorts I,
18 approval of the Comprehensive Services Agreement, and
19 currently, examination of Mr. Trump's proposal to take
20 the company private.

21 At each of those hearings this
22 Commission was advised that certain approvals were
23 needed to ensure the completion of the Taj Mahal. At
24 the conclusion of each of those hearings, this
25 Commission, in good faith, granted the approvals

1 Remarks - By Commissioner Armstrong
2 requested.

3 At the conclusion of each of those
4 hearings, Mr. Trump gained more control over the
5 company, an event which had the potential to be
6 positive. A tracking and analysis of the proceedings
7 since June is a complex task, but very revealing, as
8 much for what each record says as what it does not
9 say.

10 The prior records tell us that,
11 notwithstanding the difficult challenge involved, Mr.
12 Trump has the ability to help finance and complete the
13 Taj Mahal but, each time we are told, Mr. Trump needs
14 more control of the company to accomplish those goals.

15 At the conclusion of the June/July
16 hearings, there was nary a hint that Resorts was in
17 such deplorable condition that a highly controversial
18 and lucrative Comprehensive Services Agreement was its
19 only hope to ensure that Mr. Trump could devote the
20 necessary time and talent of his organization to
21 complete the Taj Mahal.

22 At the conclusion of the
23 November/December hearings, after substantial negative
24 testimony volunteered by Mr. Davis and Mr. Trump
25 regarding Resorts' dire circumstances, there was no

1 Remarks - By Commissioner Armstrong

2 mention of the fact that Mr. Trump might to take the
3 company private in order to expedit financing on the
4 most favorable terms. Now, eight months since this
5 series of proceedings began, we are told that
6 financing may be imminent but only if the company is
7 now taken private.

8 Of grave concern to me is Mr. Trump's
9 response to questions concerning the status of Resorts
10 if the merger is not consummated. At page 353 of the
11 transcript, Mr. Trump testified that he does not know
12 what will happen in the event that the Merger
13 Agreement is not consummated; however, he claims he
14 would not renegotiate the stipulation to modify the
15 Comprehensive Services Agreement. At page 385 of the
16 transcript, Mr. Trump indicated that in the event of a
17 failure to complete the Merger Agreement, he would
18 work under the Management Contract. At page 386 of
19 the transcript, Mr. Trump stated "It's very possible
20 that if the merger didn't go through, I would get out
21 of Resorts."

22 During the November/December hearings,
23 this Commission was told quite emphatically that
24 conditioning Mr. Trump's receipt of a management fee
25 upon completion of the Taj Mahal was totally

1 Remarks - By Commissioner Armstrong
2 unacceptable. In light of the testimony during this
3 proceeding that Chapter 11 proceedings have been
4 discussed, that slowdowns in payment to vendors will
5 continue until financing is obtained, and the fact
6 that this Commission has been led to believe that
7 financing was difficult but imminent at various points
8 during the last eight months, can we in good
9 conscience grant relicensure to a company that cannot
10 adequately suggest what its status will be three
11 months from now if the merger cannot be consummated?

12 Just as Mr. Trump testified that the
13 conditions precedent to completing the Merger
14 Agreement were necessary in order for him to know now
15 what problems he would face regarding completion of
16 the Taj Mahal, we, as a regulatory body, need to know
17 now what problems this company is going to face three
18 months from now if the merger is not completed.

19 We also cannot ignore the
20 representations made over the past several years at
21 Resorts renewal hearings, and during the Showboat
22 lease hearings concerning Resorts' obligations
23 regarding the development of the Urban Renewal Tract.
24 What for years Resorts has called a commitment is now
25 termed an option. Admittedly, the history and future

Remarks - By Commissioner Armstrong

development of the tract is complex, but the company as a practical matter is no further along than it was when it signed the original agreement with the housing authority with regard to its plans to develop housing or abandon development of the balance of the tract. With each passing year, the Urban Renewal Tract continues to be held hostage while lying a fallow wasteland.

We have been told during this proceeding that certain housing authority approvals are conditions precedent to completion of the merger. While some of those approvals appear to be necessary, I do not feel confident that the record in this matter adequately explains exactly what is needed to satisfy the housing authority conditions set forth in the merger agreement, or what Resorts' intentions are with regard to future development of the tract.

It is less than comforting to hear Mr. Trump testify eight months after his purchase of the B shares, that "No one really understands what the housing authority agreement in the current sense means." If that be the case, then Resorts, as one of the largest landholders in the city, has an obligation to find out once and for all what the agreement means,

1 Remarks - By Commissioner Armstrong
2 and whether or not they will develop some or all of
3 the remaining renewal tract acreage.

4 We have also been told that massive
5 CRDA subsidies have been sought to be applied toward
6 Resorts, Castle's and Plaza's CRDA obligations in
7 order to build 1200 oceanfront housing units on the
8 Urban Renewal Tract, yet we also heard Mr. Trump
9 testify that there is currently no market for housing
10 in Atlantic City, although this proposed project
11 stands to be moderately successful as to location.
12 However, five pages later in the transcript, when
13 questioned about a possible grant commitment to a
14 priority CRDA project, Mr. Trump stated, "The housing
15 itself is a contribution. There is no money to be
16 made from this housing, there is money to be lost from
17 housing." Contradiction abounds.

18 Of even greater concern was Mr. Trump's
19 response to questions concerning alleged
20 representations made on behalf of Mr. Trump or his
21 organization regarding a cash infusion of \$20-40
22 million into the CRDA's Northeast Inlet Development
23 Project.

24 One thing is certain, it appears that
25 Resorts and Mr. Trump feel that other agency approvals

1 Remarks - By Commissioner Armstrong
2 are essential to successful completion of the Taj
3 Mahal. While it is not our role to invade other
4 agency's processes, it is our role to ensure that our
5 licensees obtain agency approvals with honesty and
6 integrity and that representations made to one agency
7 are consistent with representations made to other
8 agencies when dealing with similar subject matter.
9 We also need to be certain that our licensees are
10 dealing fairly, squarely, openly and honestly with
11 this Commission when requesting approvals.

12 The gaping holes in this record,
13 particularly when combined with the record created
14 over the last eight months, could lead to several
15 conclusions regarding Resorts' business and
16 development strategies. While it might be possible to
17 conclude that the events of the past eight months
18 resulted from happenstance, impulse, fate and/or
19 events beyond Trump's and Resorts' control, it is also
20 just as easy, perhaps easier, to conclude that many of
21 the events leading to Mr. Trump's current merger
22 proposal have been carefully staged, manipulated and
23 orchestrated to drive down the value of the stock in
24 order to create or force the Merger Agreement.

25 I am reluctant to draw either

1 Remarks - By Commissioner Armstrong
2 conclusion based on the current record. There is much
3 at stake here. The combined Atlantic City interest of
4 Mr. Trump and Resorts are of monumental significance:
5 Castle, Plaza, control of the Marina site, Resorts I,
6 Taj Mahal, Showboat lease, potential control of the
7 Urban Renewal Tract, and ownership of additional
8 substantial Atlantic City real state. The licensee
9 and its control shareholder, Mr. Trump, should
10 immediately confront and reconcile, if at all
11 possible, in proceedings before this Commission, the
12 numerous contradictions in the combined records. They
13 should offer specific evidence to ensure this
14 Commission that they are dealing consistently,
15 honestly and with integrity when obtaining approvals
16 from other agencies. They should provide greater
17 assurances that the Merger Agreement was properly
18 motivated and they should be required too more
19 thoroughly define its business plans for the ensuing
20 period of licensure.

21 If a vote is to be taken on the current
22 record, then my vote is negative.

23 However, it would seem to me that
24 because of the stakes involved, due process could and
25 should permit this hearing to continue, to determine

1 Remarks - Vice-Chair Waters/Commissioner Zeitz
2 whether these doubts can be eliminated. Quite
3 frankly, I am surprised that the licensee and Mr.
4 Trump would rest on the current record, but that is a
5 decision they have to live with.

6 CHAIRMAN READ: Thank you, Ms.
7 Armstrong.

8 Any further comments?

9 VICE-CHAIRMAN WATERS: Yes, Mr.
10 Chairman.

11 Without burdening the record, and
12 without duplicating the comments of Commissioner
13 Armstrong, let me just indicate that I fully support
14 the comments she has made and also the conclusions she
15 has reached. If we have to vote at this point in
16 time, I likewise would be voting in the negative.

17 CHAIRMAN READ: Further comment or
18 discussion?

19 COMMISSIONER ZEITZ: Mr. Chairman, very
20 briefly, I am just struck by your reference to the
21 reassignment of the final one million of the five
22 million commitment in Atlantic City and bi-weekly
23 report that the commission receives. Just those
24 reports which we have seen that come across our desk
25 for years always seem to me to say more about the

1 Remarks - Vice-Chair Waters/Commissioner Zeitz
2 efficacy of the Government process than they do, at
3 least in that specific instance, in what Resorts has
4 or hasn't done.

5 I recommend them as almost required
6 reading to anyone who would want to see them in
7 drumstick fashion as to what has and hasn't worked in
8 Atlantic City.

9 Beyond that, I would just say that
10 having heard so much now, Commissioner Armstrong
11 alluded to several hearings and issues, I am struck by
12 this conclusion or observation, and I would make it
13 very general, but it seems to me that public agencies
14 don't make deals, at least public agencies shouldn't
15 make deals. Deals are for private business and
16 businessmen. Public agencies make these decisions by
17 weighing and not bartering the public interest.

18 CHAIRMAN READ: Further comment or
19 discussion?

20 Let me just interject that I agree, Mr.
21 Zeitz, with respect to the length of time it has taken
22 for a million dollars to be spent. I do not mean to
23 infer that all of that delay was incurred because of
24 Resorts. Quite the contrary.

25 The money has been there for years,

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2 available. My recollection is that there are several
3 other millions of dollars there, not for Resorts, but
4 from other organizations in the same kitty. And I
5 think you are quite right, that's a matter that speaks
6 very clearly. I simply put it out there to indicate
7 that the whole matter, the delay in getting the
8 million dollars up from the time it was originally
9 required or agreed upon until that happened, that is
10 the million dollars is posted mechanically, as we all
11 remember, through the charitable foundation, and
12 ultimately good bonds of the Housing Authority and so
13 forth, and that indicates a problem that I have with
14 the entire way the housing situation and the housing
15 obligations of Resorts have been handled over the
16 years; not all of which I say burdens on Resorts.

17 COMMISSIONER ZEITZ: I understood
18 that. I made my observations simply because I wanted
19 to point out to any educated observers of Atlantic
20 City what has and has not happened in the last decade
21 to those reports. They are mightily instructive to
22 where I think some of the problems lie. And in this
23 instance, I don't happen to think those particular
24 problems dealing with that million dollars and the
25 ability to spend it for what it was directed to spend

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it for lies with Resorts, but they are instructive.

CHAIRMAN READ: Further comments or discussion?

If not, on the motion?

MR. STERNS: I don't know if it's appropriate, I wonder if we might -- obviously, there is concern on the part of the Commissioners with matters that we anticipate would be heard in the housing section of this, as you made plain.

I wonder if we might have a recess to see if the Commissioners are suggesting it might be appropriate to speed up that housing section? I am talking about a five-minute recess.

CHAIRMAN READ: I have no problem with that. As a matter of fact, you may want to talk with the Division to find out what the schedule might be for their availability.

(Recess.)

CHAIRMAN READ: Mr. Sterns, you had asked for a recess?

MR. STERNS: Yes. Mr. Chairman, if I may address the Commission briefly, I think on behalf of Resorts and its chairman, obviously we must give serious weight to the comments made by yourself and by

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2 Commissioner Armstrong and Commissioner Waters and the
3 feelings of the other commissioners. I don't think no
4 matter what the outcome, a solid basis exists without
5 an opportunity to answer the questions that were
6 raised. There were new questions raised, there were
7 other questions which had not been put to rest. There
8 is, in my mind, an absolute need respectfully on the
9 part of the applicant to reopen this so that the
10 commissioners will be further assured. And so I would
11 respectfully request, at this moment, or move by way
12 of application that the hearings be reopened so that
13 we can present, as soon as possible, further witnesses
14 and recall Mr. Trump so that any lingering doubts such
15 as I have heard this morning can be put to rest and
16 then an opportunity to clarify the older issues and to
17 address newer issues will be afforded.

18 So I respectfully request that we
19 reopen or have the opportunity to reopen the hearing
20 and present this information as soon as possible. I
21 realize that the time is short and we have had, in
22 prior years, and I know the Commission has dealt with
23 it, although I don't know if it has ever had to rule
24 on it, the question of a status of a licensee, should
25 the hearings run beyond the license date, and I guess

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2 it's too serious to say. I can dust off and put back
3 in the record the brief and motion with regard to the
4 status of the license. Should we run upon the 26th,
5 it is my hope that if there are two days of hearing
6 time available to the commission, maybe even one day,
7 but let's say two based on the process, that we can
8 make the record which Commissioner Armstrong suggests
9 is needed. I would respectfully make that motion at
10 this time.

11 CHAIRMAN READ: All right. I don't
12 know if a motion is in order. The Commission
13 currently has a motion before us, however, recognizing
14 the request that is made and the reasons behind it, I
15 suppose having made the current motion that the
16 commission is considering and understanding the
17 request that is made of us, I suppose it's a little
18 unorthodox that I should make a motion, but I would
19 move to table the motion that I had earlier put.

20 Is there a second?

21 COMMISSIONER ZEITZ: Second, Mr.
22 Chairman.

23 CHAIRMAN READ: All those in favor?

24 (All Commissioners present voted in
25 favor of the motion.)

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CHAIRMAN READ: That carries
unanimously.

If that's the case, may I indicate that
I think you are absolutely right, Mr. Sterns, that
time is a very important move. I am quite aware of
the question you raised, the specific question that
you did raise with respect to the possibility of the
fact that the hearings might extend beyond the
expiration date, and I would suggest, therefore, that
we adopt a schedule that would look something like
this: I think that for one thing, it would be most
appropriate to have a further hearing conference, and
I guess at this stage, we will call it an interim
hearing conference, unless anybody has any objection
to that, to do it as promptly as possible. I have a
commitment, unfortunately, tomorrow at 10 o'clock in
Trenton, but if counsel could be available, I would
make myself available 2:30 tomorrow afternoon for a
hearing conference.

Is there any problem as far as counsel
is concerned with that sort of a time frame?

MR. STERNS: No, sir.

MR. VUKCEVICH: No problem.

MR. RIBIS: No problem.

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CHAIRMAN READ: Why don't we do that?

I would suggest we can flush out more at that time on what the schedule might be, but I would suggest to you also that looking quickly at the calendar that we have, Monday and Tuesday are available and I think have already been advertised for dates in which this hearing might be continued anyway, so that we will go forward and have those days available.

I would indicate to you in fairness, however, that you be forewarned that on Tuesday, there may be only four commissioners available from roughly noon to 3 o'clock. Obviously, we have had the commissioners reading the transcripts, I don't know that that should necessarily -- unless counsel has some objection it, that it should necessarily be apart to going forward and moving things forward as much as possible.

Particularly, Mr. Sterns, in light of your comments about the fact that you do have an old brief that you might find and update and since we haven't ruled on it, I am sure whatever you wrote originally is valid today. I would suggest that we have briefs on that subject by 5 o'clock tomorrow on that question of the continuity of licensure beyond

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the expiration date if the hearing goes forward.

Is there anything else to be brought to us at this time?

MR. STERNS: No, sir.

CHAIRMAN READ: Anything else from the commission?

If not we will stand adjourned and go forward on the basis that I outlined.

(Adjourned at 2:30 p.m.)

C E R T I F I C A T E

I, ELIZABETH M. ELDER, (License No. 1172), a
Certified Shorthand Reporter and Notary Public of the
State of New Jersey, do hereby certify the foregoing
to be a true and accurate transcript of my original
stenographic notes taken at the time and place
hereinbefore set forth.

Elizabeth M. Elder

ELIZABETH M. ELDER, CSR

Dated: February 18. 1988